

Message Text

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TAGS: EIND, PINT PINS ASEC VE

SUBJ: NIEHOUS KIDNAPPING REACTION TO TAKEOVER OF

OWENS-ILLINOIS

REF CARACAS 3976

SUMMARY. PRESIDENT PEREZ HAS EXPRESSED HIS SATISFACTION WITH THE GOV'S TAKEOVER OF OWENS-ILLINOIS. THE GOV'S MOVE HAS BEEN SUPPORTED BY AD AND PARTIES OF THE FAR LEFT AND RIGHT WHILE OTHER OPPOSITION LEADERS, INCLUDING EX-PRESIDENT CALDERA, HAVE EXPRESSED SOME RESERVATIONS. DISCUSSIONS BETWEEN OWENS-ILLINOIS AND THE GOV BEGAN LATE APR 7 ON THE MEANS BY WHICH THE GOV WILL ACQUIRE THE COMPANY'S LOCAL ASSETS. END SUMMARY.

1. REACTION HERE TO THE GOV'S ANNOUNCEMENT APR 6 THAT IT WILL ACQUIRE THE SHARES OF OWENS- ILLINOIS DE VENEZUELA FOLLOWING THE PUBLICATION ABROAD OF DOCUMENTS RELATING TO THE NIEHOUS KIDNAPPING HAS RANGED FROM COMPLETE SUPPORT FOR THE MOVE, EXPRESSED BY THE GOVERNING AD PARTY AND PARTIES OF THE EXTREME RIGHT AND LEFT, TO DOUBTS ABOUT THE LEGALITY OF THE GOV'S ACTION, EXPRESSED BY LEADERS OF THE OPPOSITION COPEI PARTY AND OTHERS. IN A BRIEF ENCOUNTER WITH THE PRESS PRESIDENT
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PEREZ SAID HE CONSIDERED THE MEASURES ADOPTED BY THE GOV TO

BE "TRANSCENDENTAL" AND THAT HE WAS "SATISFIED" BY THE DECISION TO TAKE OVER OWENS-ILLINOIS. AD SECRETARY GENERAL LUIS PINERUA ORDAZ STATED THAT AD SUPPORTED WITHOUT RESERVATION THE GOV'S ACTION AGAINST OWENS-ILLINOIS.

2. EX-PRESIDENT RAFAEL CALDERA, SAYING THAT HE DID NOT UNDERSTAND THE NATURE AND THE PURPOSE OF THE GOV'S MEASURES, PUBLICLY QUESTIONED THE LEGALITY OF THE TAKEOVER. CALDERA SAID THE GOV'S MOVE AGAINST OWENS-ILLINOIS WAS NOT A CASE OF EXPROPRIATION FOR "PUBLIC AND SOCIAL UTILITY" NOR WAS IT CONFISCATION. THE GOVT, CALDERA CONTINUED, IS GOING TO BUY THE SHARES AND ONCE AGAIN LAPSE INTO THE COMPLEX OF SOVLING EVERYTHING BY SPENDING MONEY SINCE WE HAVE ALOT OF IT. CALDERA IN A SERIES OF QUESTIONS ASKED WHY THE GOV HAD TAKEN THIS STEP. "IS IT TO PUNISH THE OWNERS (OF OWENS-ILLINOIS) OR THRU IT TO SERVE THE COUNTRY? IS THE COMPANY TO BE INCORPORATED IN THE PUBLIC PATRIMONY OR TRANSFERRED TO SOME AUTONOMOUS INSTITUTE OR SOME STATE ENTERPRISE? ARE WE GOING TO KEEP

THE TECHNOLOGY AND THE PATENTS OF THE PRESENT OWNERS AND WILL THIS BE THRU A NEW CONTRACT WITH THE SAME MULINATIONAL CONCERN?" CALDERA SAID HE WONDERED WHETHER THE GOV HAD GIVEN ENOUGH STUDY TO THE DIFFERENT ASPECTS AND POSSIBLE CONSEQUENCES OF THE OWNES-ILLINOIS TAKEOVER.

3. SENATOR GODOFREDO GONZALEZ, ACTING PRESIDENT OF COPEI, REFERRING TO A "CHAIN OF ERRORS" COMMITTED BY THE GOV IN THE NIEHOUS CASE, CALLED ON THE GOV TO RECOVER ITS "LOST SERENITY AND RETURN TO ITS SENSES." HE ACCUSED THE GOV OF SETTING AN "UNKNOWN PRECEDENT" BY ITS MEASURES AGAINST OWENS-ILLINOIS AND QUESTIONED THE LEGALITY OF THE GOV'S ACTION. HE SAID IF OWENS-ILLINOIS' ADVERTISEMENTS IN THE INTERNATIONAL PRESS ONLCY CONTAINED INFOMATION RELATING TO THE FIRM'S OWN DOCUMENTS, THEN THE GOV WAS ON QUESTIONABLE LEGAL GROUND. " THE GOVT CAN NOT CLAIM TO CONTROL THE RELEASE OF INFORMATION FROM PRIVATE FILES," GONZALEZ CONCLUDED.

4. OTHE POLITICAL LEADERS EXPRESSED ADDITIONAL RESERVATIONS.
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MEP SENATOR LUIS PRIETO SAID HIS PARTY FAVORED NATIONALIZATION OF FOREIGN BUSINESSES BUT THAT HE DOUBTED THE LEGALITY OF SUCH A MOVE BASED ON AN EXECUTIVE DECREE. URD SENATOR ANGEL BRITO POINTED OUT THAT THE TAKEOVER OF OWENS-ILLINOIS WAS ONLY ONE OF SEVERAL EXTRAORDINARY ACTIONS TAKEN BY THE GOV RECENTLY, "WHAT WILL HAPPEN TOMORROW?" HE ASKED IN CALLING ON THE SENATE TO STUDY CAREFULLY THE GOV'S MEASURES. PARTY LEADERS OF THE FAR RIGHT (CCN) AND THE

FAR LEFT (PCV) AS WELL AS THE SOCIALIST MAS SUPPORTED THE GOV'S MOVE AGAINST OWENS-ILLINOIS, HOWEVER, CALLING IT AN EXERCISE OF NATIONAL SOVEREIGNTY.

5. FOLLOWING THE ARRIVAL OF OWENS-ILLINOIS EXECUTIVE VICE PRESIDENT WILLIAM COLEMAN FROM THE US DISCUSSIONS GOT UNDERWAY LATE APRIL 7 AT THE MINISTRY OF DEVELOPMENT WITH REGARD TO THE GOV'S ACQUISITION OF THE US CO'S VENEZUELAN SUBSIDIARIES. REPRESENTING THE GOV IN THE INTIAL DISCUSSION WERE DEVELOPMENT MINISTER JOSE IGNACIO CASAL, VENEZUELAN INVESTMENT FUND MINISTER CONSTATINO QUERO MORALES, BASIC INDUSTRIES MINISTER CARMELO LAURIA, AND VENEZUELAN DEVELOPMENT CORPORATION PRESIDENT LUIS ALVAREZ DOMINGUEZ.

6. THE VENEZUELAN INTELLIGENCE SERVICE (DISIP) ON APRIL 7 CAPTURED IN PUERTO ORDAZ, BOLIVAR STATE ALI DEL CARMEN TORRES DOMINGUEZ, ONE OF THE 23 TERRORISTS WHO ESCAPED FROM SAN CARLOS PRISON IN JANUARY 1975. WHILE TORRES MAY HAVE NO CONNECTION WITH THE NIEHOUS KIDNAPPING, DISIP IS ATTEMPTING TO DETERMINE IF HE HAS KNOWLEDGE ABOUT THE CASE. TORRES IS ONLY THE SECOND OF THE 23 ESCAPEES TO BE CAPTURED.
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